

**Office of Management and Budget**

**Clearance Package**

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Internal Revenue Service

2011 Nationwide Tax Forums

Focus Groups for the

Small Business/Self-Employed Operating Division

Internal Revenue Service  
Small Business/Self-Employed Research  
April 2011

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## **Background**

The mission of the IRS Small Business/Self-Employed (SB/SE) operating division is to provide SB/SE customers with top-quality service by educating and informing them of their tax obligations, developing educational products and services, helping them understand and comply with applicable laws, and to protect the public interest by applying the tax law with integrity and fairness to every taxpayer.

The Communication, Liaison and Disclosure Division (CLD) within SB/SE is committed to supporting this mission by developing and implementing integrated communication plans to address ongoing and emerging taxpayer and practitioner issues. These plans identify key messages as well as appropriate products and delivery channels which leverage stakeholder groups to communicate SB/SE messages to taxpayers. CLD fosters partnering relationships with the practitioner community as a means of enhancing taxpayer satisfaction with SB/SE products and procedures.

The Nationwide Tax Forums sponsored each year by the IRS offer a unique opportunity for CLD to solicit the opinions, experiences, and ideas of tax practitioners about important issues for taxpayers and for the IRS. CLD has identified three topics in SB/SE this year that would benefit from practitioner input. They are:

- The Notice of Federal Tax Lien
- Correspondence Examinations
- Social Media and Electronic Delivery

The purpose of the Nationwide Tax Forum focus groups is to evaluate taxpayer knowledge, beliefs, barriers and perception of the aforementioned topics providing first-hand information that has not been collected to date. The feedback received will not institute new policy, yet this feedback will help enable the Service to effectively meet taxpayer needs.

## **Objectives**

The purpose and research objectives for each of the three topics identified in the Background section are presented here by topic area.

### **The Notice of Federal Tax Lien**

SB/SE Collection is proposing that SB/SE Research conduct focus groups at the 2011 Nationwide Tax Forums. Collection states that notices of federal tax lien are filed in order for the IRS to maintain priority over other creditors and to encourage taxpayer compliance. Moderators will solicit feedback from practitioners to help identify areas that SB/SE Collection can define and/or modify when revising the public Notice of Federal Tax Lien filing criteria. Additional feedback will help gauge the effectiveness of current tax lien program communication methods and solicit suggestions for improvement.

#### Objectives:

- Solicit suggestions from practitioners about lien filing criteria and effective ways to

- collect outstanding tax liabilities.
- Determine if current lien program communications are useful and identify suggestions for improvement.

### **Correspondence Examinations**

SB/SE Examination (Exam) is committed to improving service to taxpayers and is interested in learning about practitioners' experience with the audit process. SB/SE Exam is developing a new service experience in the audit process. Exam would like to get feedback from tax practitioners on how to improve the new service experience in the audit process.

#### Objectives:

- Learn about tax practitioners' experience with the audit process; and
- Learn how to improve the new service experience in the audit process.

### **Social Media and Electronic Delivery**

Communications, Liaison & Disclosure (CLD) is proposing that SB/SE Research conduct focus groups at the 2011 Nationwide Tax Forum. The groups will focus on the types of social media and its content that tax practitioners want. The opinions offered by focus group participants would help CLD achieve their strategic goal of expanding electronic communication channels in a focused manner rather than by trial and error.

#### Objectives:

- Identify appropriate communication channels to reach the tax practitioners audience.
- Determine appropriate outreach topics for tax practitioners when using social media.

### **Methodology**

We propose conducting focus group interviews with tax practitioners to achieve the research objectives for the three focus group projects described above.

Focus group interviews are proposed because this technique will allow us to achieve the desired objectives, acquiring the opinion information required. As a type of group interview, focus groups use group interaction to stimulate relatively spontaneous responses to the supplied topics. The goal is to explore the feelings, opinions and beliefs people hold, and to learn how these feelings shape behavior. Focus groups provide insight and direction rather than quantitatively precise or absolute measures. They are useful for gathering information in a given field and generating hypotheses based on the participants' opinions. The main advantage focus groups offer is the opportunity to observe considerable interaction on a topic in a limited period of time. An important aspect of focus groups is that they give rise to insights and solutions that may not come about without them.

The market segment of interest for this research consists of tax practitioners and the small

business taxpayers who are their clients. These are the entities that we hope to impact by using the results of the focus groups to affect changes related to the three focus group topics.

SB/SE Research will conduct focus group interviews at the 2011 IRS Nationwide Tax Forums. [Appendix A](#) provides the schedule of the tax forums, which are being held in six cities across the country between June and September 2011. One focus group will be conducted for each focus group topic in each of the six cities, for a total of 18 focus groups.

The SB/SE Research moderators conducting the focus groups will screen and recruit potential participants at the Nationwide Tax Forums. It is estimated that they will speak to approximately 60 individuals before inviting 20 of them to participate in a group. Approximately 20 invitations will be issued for each group. Past experience shows that eight to ten people out of the 20 invited will actually attend the focus group. Screening guides have been developed for the topics to ensure that all focus group participants have the experience to offer opinions on the topics. If a practitioner meets the criteria, they will be invited to participate in one of the focus groups.

The screener's guides are contained in the following appendices:

- [Appendix B](#) - "The Notice of Federal Tax Lien"
- [Appendix D](#) - "Correspondence Examination"
- [Appendix F](#) – "Social Media and Electronic Delivery"

Each focus group will consist of eight to ten participants. The Notice of Federal Tax Lien, Correspondence Examination and Social Media and Electronic Delivery sessions will all be limited to two hours in duration. A moderator's guide has been developed for each focus group topic. The questions contained in the guides were developed in conjunction with the project customers to support the project objectives. [Appendix C](#) contains the moderator's guide for "The Notice of Federal Tax Lien". [Appendix E](#) contains the moderator's guide for "Correspondence Examination." [Appendix G](#) contains the moderator's guide for "Social Media and Electronic Media." One moderator will facilitate each group and one will take notes. The sessions will also be audio taped.

For each of the three topics, SB/SE Research will document the results of the focus groups from the six cities in a formal research report for the project client. The findings section of the reports will summarize the responses for each question from the moderator's guide and SB/SE Research will offer summary observations and conclusions, if appropriate, based on the groups' results.

## **Burden Estimates**

The estimate of taxpayer burden for this research is based on the approach described in the methodology section.

### Screening Burden Estimate

For screening, we will assume that for each topic 60 people will be screened before 20 invitations are issued. We will assume that 20 invitations should be issued to ensure that ten people will be present for each focus group. Each screening contact will average three minutes.

For each of the six cities:

Estimated number of potential participants screened for one focus group.....60

Estimated screening time per potential participant.....3 minutes  
Total estimated burden (time) for screening (one city)..... 9 hours  
Total estimated burden (time) for screening (six cities)..... 54 hours

#### Focus Group Burden Estimate

For the focus group burden, we will assume a maximum number of ten participants in each focus group. In each of the six cities, we will conduct one focus group for each of the topics for a total of 18 focus groups. All three of the groups will last no longer than two hours.

Estimated number of participants for 2 hour focus groups (one city).....30  
Estimated number of participants for 2 hour focus groups (six cities).....180  
Total estimated participant burden (time) for all focus groups (one city).....60 hours  
Total estimated participant burden (time) for all focus groups (six cities).....360 hours

#### Total Burden Estimate

The total burden estimate in time is 414 hours.

### Cost Estimate

The only cost, outside of normal salary, to conduct these projects is travel cost. We estimate \$1,572 for one SB/SE focus group moderator to attend one tax forum.

Hotel at \$197 for 3 nights..... \$656.00  
Per Diem of \$64 for 2 full days and 2 travel days.....\$256.00  
Flight..... \$660.00

**To adequately recruit participants and conduct the focus groups, three moderators are needed in each of the six cities. The total estimated cost of conducting the focus groups in all of the six cities is \$28,296.**

### Privacy, Security and Disclosure Requirements

SB/SE Research will ensure the privacy of those who participate in the focus groups. During the focus groups, no taxpayer identifying information will be obtained about the participants. First names only will be used to facilitate discussion. Audiotapes made during the focus groups will be used to document notes for the report and then will be destroyed. Research will apply fair information and record-keeping practices to ensure protection of privacy of all participants. The criteria for disclosure, as specified in the Privacy Act, the Freedom of Information Act, and Section 6103 of the Internal Revenue Code, provide for the protection of taxpayer information as well as its release to authorized recipients. SB/SE Research will ensure adherence to these standards, where applicable.

SB/SE Research will also ensure that security requirements are followed regarding the information obtained during the groups, according to the Internal Revenue Manual 1.7 (Research and Analysis for Tax Administration) and applicable federal guidelines, including the Federal Information Security Management Act of 2002 (FISMA). The information will be stored on the SB/SE Research computer system located in a secured area. The information will be maintained

in a restricted access folder, so that only those researchers participating in the project will have access to the information (either on paper or electronically).

The information SB/SE Research obtains from the focus groups will be used only for this research project. Once the project is complete, the information (paper and electronic) obtained for this project will be archived for one year and then destroyed.

### **Tallies and Other Information**

SB/SE Research will provide the following information to OMB within 90 days following the last focus group conducted in September 2011:

- Number of Tax Forum attendees screened for the focus groups in each of the six cities
- Number of Tax Forum attendees invited to participate in a focus group in each city
- Number of participants in each focus group in each city
- Dates and times of each focus group in each city

**Appendix A: Schedule for 2011 IRS Nationwide Tax Forums**

<u>City</u>	<u>Dates</u>
Atlanta, Georgia	June 28 - 30
Orlando, Florida	July 12 - 14
Dallas, Texas	July 26 – 28
San Jose, California	August 9 - 11
Las Vegas, Nevada	August 16 - 18
National Harbor, Washington DC	August 30 - September 1